

## Strategic Talent Management in Emerging Markets

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### **Abstract:**

Since a group of McKinsey consultants coined the phrase the “war for talent” in 1997 (Axelrod, Handfield-Jones, & Michaels, 2002), academic and practitioner interest in strategic talent management continues to grow, and business leaders consider the search for talented people as the single most important managerial preoccupation for this decade (Deloitte, 2010; Guthridge, Komm, & Lawson, 2008).

**Keywords:** strategic talent management | emerging-market companies | introduction

### **Article:**

Since a group of McKinsey consultants coined the phrase the “war for talent” in 1997 (Axelrod, Handfield-Jones, & Michaels, 2002), academic and practitioner interest in strategic talent management continues to grow, and business leaders consider the search for talented people as the single most important managerial preoccupation for this decade (Deloitte, 2010; Guthridge, Komm, & Lawson, 2008). *Strategic talent management* is defined as

activities and processes that involve the systematic identification of key positions which differentially contribute to the organisation's sustainable competitive advantage, the development of a talent pool of high potential and high performing incumbents to fill these roles, and the development of a differentiated human resource architecture to facilitate filling these positions with competent incumbents and to ensure their continued commitment to the organisation. (Collings & Mellahi, 2009, p. 304)

Strategic talent management offers a distinct approach to the management of human resources and a response to the changes occurring in a turbulent operating environment, a means of improving firm performance (Joyce & Slocum, 2012), reducing employee turnover (Ballinger, Craig, Cross, & Gray, 2011), and achieving sustainable competitive advantage (Chatman, O'Reilly, & Chang, 2005; Iles, Preece, & Chuai, 2010).

While the interest in talent management is growing (see, e.g., Guerci & Solari, 2012; Joyce & Slocum, 2012; Minbaeva & Collings, 2013; Oltra & Lopez, 2013), the current assumptions and

concepts in the strategic talent management literature are strongly embedded in the context of multinational, private, and US-based organizations, and may not be appropriate for describing and examining talent management in organizations operating in emerging-market contexts (Collings, Scullion, & Vaiman, 2011). The growing importance of emerging economies has led to an upsurge of strategy research on the topic (Wright, Filatotchev, Hoskisson, & Peng, 2005); however, research on strategic talent management has not kept pace with the research on multinational companies (MNCs) from emerging economies. There has been an accelerated interest in emerging markets, and emerging-market MNC studies in recent special issues in international business/management journals focus on internationalization, market-entry strategy, and location choice aspects (Aulakh, 2007; Luo & Tung, 2007). It is widely agreed that the motivations behind emerging-market MNC international operations, particularly in developed markets, are related to capability building. Strategic talent management, therefore, can play a crucial role in building absorptive capacity, which helps firms develop the ability to recognize the value of new information, assimilate it, and apply it to commercial ends. In addition, strategic talent management may facilitate reverse knowledge transfer to emerging-market multinationals' other subsidiaries and play a crucial role in the success of the firm in diverse cultural - environments.

The purpose of this special issue is therefore to generate a collection of articles on how emerging-market companies understand the concept of talent management and how they plan and execute strategic talent management initiatives. The first article in the special issue, by Wenjia Cui, Zaheer Khan, and Shlomo Y. Tarba, examines how strategic talent management (STM) is defined and understood by Chinese small and medium-sized enterprises (SMEs), and of the talent management and retention strategies Chinese SMEs use in the service sector. The case study of four Chinese service SMEs reveals that managers have different views about talent: According to some, STM means simply having a right candidate in the right job category. The findings also indicate that work environment, career advancement opportunities, and a good compensation package are acknowledged as a best strategy for attracting talent. The findings further suggest that Chinese SMEs use similar approaches to those used by firms in developed markets, but Chinese SMEs pay more attention to the compensation package and job roles. Overall, the findings indicate that SMEs take both a universalist and a selective performance-oriented approach when it comes to talent management in China.

This is followed by the article by Sunanda Nayak, Jyotsna Bhatnagar, and Pawan Budhwar highlighting how social networking has been strategically utilized as an effective tool by organizations for employer branding and innovative talent acquisition strategies in India. Qualitative data from 78 semistructured interviews with human resources (HR) professionals of information technology (IT), information technology-enabled services (ITeS), and talent acquisition organizations confirm the growing utilization of social networking sites (SNSs) as part of the organizational HR strategy for employer branding and talent sourcing, acquisition and retention, and reinforcing stronger relationship with their employees. The study contributes to the fields of talent management and social networks and has several key implications for practitioners regarding the usefulness of SNSs to organizational branding, talent management, and retention.

The third article, by Carole Tansley and Susan Kirk, demonstrates how organizational talent engage in framing processes to negotiate their social order when organizational mobility requirements are invoked. Emerging from this study is a typology of four talent mobility frame positions: acceptance, adaptation, avoidance, and abdication. The article contributes by illustrating the role that framing plays in global talent management mobility practices, extending contemporary studies on global talent mobility by demonstrating how individual choices are enacted through frame positions, and showing how having a flexible approach to managing global talent can facilitate not only the management of existing operations, but also enable expansion into new and emerging markets.

The fourth article, by Judith Ambrosius, analyzes the relationship between different strategic talent management practices and employees' intention to leave Brazilian multinational corporations (MNCs). Drawing on the resource-based view, eight research hypotheses are developed and tested using a sample of 61 employees from Brazilian MNCs. Linear regression modeling reveals that organizational support and perceived career opportunity are negatively related to Brazilian employees' intention to leave, while training and development is positively related. Furthermore, it is found that perceived career opportunity moderates these relationships. This study derives important implications for strategic talent management in Brazilian MNCs and contributes to the more general literature on human resource management in emerging-market multinationals.

The fifth article, by Marina O. Latukha, aims to prove the influence of talent management (TM) practices on competitive advantage (CA) in internationalized Russian firms. This article explores the peculiarities of TM practices in Russian companies and empirically proves a positive relationship between TM practices and CA in the emerging-market context. The article identifies a number of specific TM practices that influence CA. The article argues that succession planning and career development have the greatest impact on CA in Russian firms.

## Biographies

- **Mohammad Faisal Ahammad** is an associate professor in international business at Centre for International Business (CIBUL), Leeds University Business School, University of Leeds, United Kingdom. He is an active researcher in the field of international business, particularly in the area of cross-border mergers and acquisitions. His work has appeared in the *British Journal of Management*, *Journal of World Business*, *Journal of Organizational Behavior*, *International Business Review*, *International Marketing Review*, *Human Resource Management*, *Group & Organisation Management*, *International Journal of HRM*, and elsewhere.
- **Keith W. Glaister** is associate dean and professor of international business at Warwick Business School, University of Warwick, United Kingdom. Before joining Warwick Business School, he was dean of Sheffield University Management School (2005–2013) and before that pro dean for learning and teaching at Leeds University Business School, where he was also professor of international strategic management. He is an editorial board member for several journals including the *British Journal of Management*. He has published over 100 refereed journal articles and chapters, including papers in *Strategic*

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- **Riikka M. Sarala** is an associate professor of international business at the University of North Carolina at Greensboro, United States. She completed her PhD degree at Hanken School of Economics in Helsinki, Finland. In addition, she completed part of her PhD studies at Columbia University in New York City. Her research focuses on how organizations increase their flexibility through mergers and acquisitions, knowledge transfer, ambidexterity, and HR flexibility. She has published in the *Journal of Management, Strategic Management Journal, Journal of Management Studies, Journal of International Business Studies, Academy of Management Learning & Education, and Academy of Management Perspectives*. Professor Sarala has received several awards, including the Academy of Management Global Forum Best Symposium Award, Strategic Management Society Runner-up Award for Best Student, and Bryan School Research Excellence Award. Professor Sarala has served/serves as a guest editor for the special issues at *Group & Organization Management* and *Human Resource Management Review*.
- **Alison J. Glaister** is a lecturer in international human resource management and joined the York Management School in January 2016, after having held previous lectureships at Bradford University School of Management and Aston Business School. She holds a PhD (ESRC funded) from the University of Leeds. She is an Academic Member of the Chartered Institute of Personnel and Development (CIPD), a Fellow of the Higher Education Academy, and the Chair of the British Academy of Management's HRM Special Interest Group. Alison's research focuses on international HRM and includes the impact of outsourcing and organizational networks on the role of HR and the employees they serve. She conducted the first UK survey of human resource outsourcing in conjunction with the CIPD in 2009, examining the extent of human resource outsourcing, the nature of those practices being outsourced, and the impact of externalization measures on employees.

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